

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 88-421-S - ORDER NO. 89-168
FEBRUARY 21, 1989

IN RE: Application of General Systems Corporation for approval of a fee for the operation of its Sidney Road Lift Station, Lexington County, South Carolina.) ORDER ESTABLISHING) RATE, AND APPROVING) OPERATION OF) LIFT STATION)

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of an application filed August 30, 1988 by General Systems Corporation (General or the Company) seeking approval of a monthly rate for the operation of its Sidney Road Lift Station in Lexington County, South Carolina. The Company's application was filed pursuant to S.C. Code Ann., Section 58-5-240 (1976), as amended and R.103-821 of the Commission's Rule of Practice and Procedure.

By letter dated September 1, 1988 the Commission's Executive Director instructed the Company to cause to be published a prepared Notice of Filing, one time in a newspaper of general circulation in the affected area. The Notice of Filing was likewise published in the State Register, Volume 12, Issue No. 9, dated September 23, 1988. The Notice of Filing indicated the nature of the Company's application and advised all interested parties desiring participation in the proceeding of the manner and time in which to file the appropriate pleadings. The Company was

likewise required to notify directly all customers affected by the proposed rates and charges. No intervention was filed with the Commission.

A public hearing relative to the matters asserted in the Company's application was commenced in the offices of the Commission on January 25, 1989 at 2:30 p.m. in the Commission's Hearing Room. Pursuant to S.C. Code Ann., Section 58-3-95 (Cum. Supp. 1988) a panel of three (3) Commissioners was designated to hear and rule on this matter, Commissioner Henry G. Yonce, presiding. Jetter E. Rhodes, Jr., Esquire, represented the Company, and Marsha A. Ward, General Counsel, represented the Commission Staff. No one appeared in opposition to the application.

The Company presented the testimony of William Brown, a Registered Professional Engineer, and James R. Sanders, the operator of the Lift Station, to testify in support of the Company's application.

General seeks a Certificate of Public Convenience and Necessity to operate and maintain its Sidney Road Lift Station to provide service to customers in Stratton Place Subdivision and the Brian Center Nursing Home. The Company only operates the Lift Station which delivers the sewerage from the subdivision and the nursing home to Alpine Utilities for treatment. The Company is responsible for the maintenance and upkeep of the interior lines of the system. The Company is seeking approval of a monthly rate of \$5.40 per tap. Under the arrangement between General Systems

Corporation and Alpine Utilities, the customers of Stratton Place and the Brian Center would also pay Alpine Utilities its approved monthly rate for sewerage service. The present planned capacity of the Company's Lift Station is sufficient for serving one hundred (100) units. Presently there are sixty-nine (69) taps allocated between the Brian Center Nursing Home which has thirty-nine (39) taps and Stratton Place Subdivision, which has thirty (30) taps.

General Systems Corporation has been and is presently operating the sewerage Lift Station but has not charged the customers in Stratton Place or the Brian Center Nursing Home for its services. In order to provide reasonable and adequate service to its customers, the Company proposes to charge this \$5.40 per tap. The Company alleges that such an amount is reasonable in light of the return on the Company's investment. If the Commission approves a \$5.40 per tap charge this will allow the Company a 13.51% operating margin based on the estimated revenues and expenses filed by the Company with its Application. The Commission considers this adequate operating margin for the Company and a just and reasonable rate to charge for its services.

The Commission finds that the Company is fit, willing, and able to provide adequate sewer service to its customers in Stratton Place Subdivision and the Brian Center Nursing Home. Further, the Commission approves the requested rate of the Company and instructs the Company that it will be responsible for billing the customers in Stratton Place and the Brian Center for not only its monthly rate for service, but also the rate charged by Alpine

Utilities to those customers. This way, the customers will receive only one bill and General Systems Corporation will remit to Alpine its portion of the amount collected by General Systems Corporation.

IT IS THEREFORE ORDERED:

1. That the schedule of rates and charges as set forth in appendix A are hereby approved and may be charged for service rendered on and after the date of this Order as well as the rate for Alpine Utilities to the customers in Stratton Place Subdivision and the Brian Center Nursing Home.

2. That should such schedule not be placed into effect within three (3) months of the effected date of this Order, such schedule as contained herein shall not be charged without written permission from the Commission.

3. That General Systems Corporation shall maintain its books and records for its sewer operations in accordance with the NARUC uniform system of accounts for class A and B sewer utilities.

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4. That this Order shall remain in full force and effect
until further order of the Commission.

BY ORDER OF THE COMMISSION:

ACTING 
Chairman

ATTEST:


Executive Director

(SEAL)

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APPENDIX A

APPENDIX A

Monthly Rate Per Tap

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\$5.40